



QUARTERLY STATEMENT
AS OF SEPTEMBER 30, 2009
OF THE CONDITION AND AFFAIRS OF THE
NORTH CAROLINA MUTUAL LIFE INSURANCE COMPANY

NAIC Group Code	0000	,	0000	NAIC Company Code	67032	Employer's ID Number	56-0340860
	(current period)		(prior period)				
Organized under the Laws of	North Carolina			State of Domicile or Port of Entry	NORTH CAROLINA		
Country of Domicile	United States of America						
Incorporated/Organized	02/28/1899			Commenced Business	04/01/1899		
Statutory Home Office	411 W. Chapel Hill Street			Durham, NC 27701-3616			
	(Street and Number)			(City, or Town, State and Zip Code)			
Main Administrative Office	411 W. Chapel Hill Street						
	(Street and Number)						
	Durham, NC 27701-3616			(919) 682-9201			
	(City, or Town, State and Zip Code)			(Area Code)(Telephone Number)			
Mail Address	411 W. Chapel Hill Street			Durham, NC 27701-3616			
	(Street and Number)			(City, or Town, State and Zip Code)			
Primary Location of Books and Records	411 W. Chapel Hill Street						
	(Street and Number)						
	Durham, NC 27701-3616			(919) 682-9201			
	(City, or Town, State and Zip Code)			(Area Code)(Telephone Number)			
Internet Website Address	ncmutuallife.com						
Statutory Statement Contact	Kamlesh Shah			(919) 313-7807			
	(Name)			(Area Code)(Telephone Number)			
	kshah@ncmutuallife.com			(919) 313-8723			
	(E-Mail Address)			(Fax Number)			

OFFICERS

Name	Title
James Herbert Speed, Jr.	President
Richard Lee Hall	Chief Operating Officer
Stafford Leroy Thompson, Jr.	Actuary

OTHERS

Gracie Ann Johnson-Lopez SPHR, Sr. VP of Administration/Human Resources
Arthell Damon Davis, Vice President-Group Marketing
Richard Curtis Barnes, J.D., FLMI, AFSI, PCS, AIRC, ARA, Corporate Secretary

David Alan Baylock, Vice President -Accounting Services
Ronald Russell Corlew, Vice President-Individual Marketing

DIRECTORS OR TRUSTEES

Carol Moseley Braun	Bert Collins, Chairman
Julius Levonne Chambers	Nathan Taylor Garrett Sr.
Joe Louis Dudley Sr.	James Herbert Speed Jr.
Elliott Sawyer Hall	Phail Wynn Jr.
Theodore Walstein Long Jr.	

State of North Carolina

County of Durham ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
James Herbert Speed, Jr.	Richard Curtis Barnes	David Alan Baylock
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President, CEO	Corporate Secretary	Vice President - Accounting Services
(Title)	(Title)	(Title)

Subscribed and sworn to before me this

day of 2009

a. Is this an original filing? Yes [X] No []

(Notary Public Signature)

b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
1.	Bonds	101,960,735		101,960,735	103,112,427
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks	480,945		480,945	1,017,843
3.	Mortgage loans on real estate:				
3.1	First liens	13,167,469	107,178	13,060,291	12,661,732
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)	46,437		46,437	
5.	Cash (\$.....1,337,459), cash equivalents (\$.....0) and short-term investments (\$.....9,521,720)	10,859,180		10,859,180	12,170,662
6.	Contract loans (including \$.....0 premium notes)	6,300,137	24,632	6,275,505	6,393,810
7.	Other invested assets	33,182	33,182		
8.	Receivables for securities				671,669
9.	Aggregate write-ins for invested assets				
10.	Subtotals, cash and invested assets (Lines 1 to 9)	132,848,085	164,992	132,683,093	136,028,143
11.	Title plants less \$.....0 charged off (for Title insurers only)				
12.	Investment income due and accrued	1,614,919	18,772	1,596,147	1,578,457
13.	Premiums and considerations:				
13.1	Uncollected premiums and agents' balances in the course of collection	1,223,927		1,223,927	2,515,878
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)	2,515,179		2,515,179	2,707,150
13.3	Accrued retrospective premiums				
14.	Reinsurance:				
14.1	Amounts recoverable from reinsurers	980,886		980,886	1,523,226
14.2	Funds held by or deposited with reinsured companies	214,592		214,592	935,130
14.3	Other amounts receivable under reinsurance contracts	4,887,348	4,198	4,883,150	5,444,759
15.	Amounts receivable relating to uninsured plans				
16.1	Current federal and foreign income tax recoverable and interest thereon	40,371		40,371	40,371
16.2	Net deferred tax asset	12,219,440	12,219,440		
17.	Guaranty funds receivable or on deposit				
18.	Electronic data processing equipment and software	66,004	52,735	13,269	3,978
19.	Furniture and equipment, including health care delivery assets (\$.....0)	4,353	4,353		
20.	Net adjustments in assets and liabilities due to foreign exchange rates				
21.	Receivables from parent, subsidiaries and affiliates				
22.	Health care (\$.....0) and other amounts receivable				
23.	Aggregate write-ins for other than invested assets	10,383,246	1,591,482	8,791,764	8,633,793
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	166,998,350	14,055,972	152,942,378	159,410,885
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26.	Total (Lines 24 and 25)	166,998,350	14,055,972	152,942,378	159,410,885
DETAILS OF WRITE-INS					
0901.	.....			
0902.	.....			
0903.	.....			
0998.	Summary of remaining write-ins for Line 9 from overflow page				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301.	CSV OFFICERS INSURANCE	8,777,272		8,777,272	8,530,524
2302.	ADVANCES TO AGENTS	613,674	613,674		
2303.	PREPAID RENT / EXPENSES	130,483	130,483		
2398.	Summary of remaining write-ins for Line 23 from overflow page	861,817	847,325	14,492	103,269
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	10,383,246	1,591,482	8,791,764	8,633,793

LIABILITIES, SURPLUS AND OTHER FUNDS

		1	2
		Current Statement Date	December 31 Prior Year
1.	Aggregate reserve for life contracts \$.....126,238,677 less \$.....0 included in Line 6.3 (including \$.....27,286,481 Modco Reserve) .	126,238,677	125,526,038
2.	Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve) .	332,614	423,509
3.	Liability for deposit-type contracts (including \$.....0 Modco Reserve) .	2,691,662	2,725,605
4.	Contract claims:		
4.1	Life .	4,592,427	8,278,749
4.2	Accident and health .	79,231	180,653
5.	Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid .		
6.	Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1	Dividends apportioned for payment (including \$.....0 Modco) .	507,135	549,346
6.2	Dividends not yet apportioned (including \$.....0 Modco) .		
6.3	Coupons and similar benefits (including \$.....0 Modco) .		
7.	Amount provisionally held for deferred dividend policies not included in Line 6 .		
8.	Premiums and annuity considerations for life and accident & health contracts received in advance less \$.....0 discount; including \$.....10,804 accident and health premiums .	223,960	222,315
9.	Contract liabilities not included elsewhere:		
9.1	Surrender values on canceled contracts .		
9.2	Provision for experience rating refunds, including \$.....0 accident and health experience rating refunds .		
9.3	Other amounts payable on reinsurance; including \$.....0 assumed and \$.....0 ceded .		
9.4	Interest Maintenance Reserve .	289,548	
10.	Commissions to agents due or accrued-life and annuity contracts \$.....0, accident and health \$.....0 and deposit-type contract funds \$.....0 .		294,009
11.	Commissions and expense allowances payable on reinsurance assumed .	498,442	81,284
12.	General expenses due or accrued .	873,508	916,942
13.	Transfers to Separate Accounts due or accrued (net) (Including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances) .		
14.	Taxes, licenses and fees due or accrued, excluding federal income taxes .	(110,484)	(25,123)
15.1	Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses) .		
15.2	Net deferred tax liability .		
16.	Unearned investment income .	1,187,581	63,975
17.	Amounts withheld or retained by company as agent or trustee .	108,739	(144,835)
18.	Amounts held for agents' account, including \$.....0 agents' credit balances .	(262,210)	(151,047)
19.	Remittances and items not allocated .	303,799	441,136
20.	Net adjustment in assets and liabilities due to foreign exchange rates .		
21.	Liability for benefits for employees and agents if not included above .	3,591,780	3,958,985
22.	Borrowed money \$.....0 and interest thereon \$.....0 .		
23.	Dividends to stockholders declared and unpaid .		
24.	Miscellaneous liabilities:		
24.1	Asset valuation reserve .	319,858	608,371
24.2	Reinsurance in unauthorized companies .		
24.3	Funds held under reinsurance treaties with unauthorized reinsurers .		
24.4	Payable to parent, subsidiaries and affiliates .		
24.5	Drafts outstanding .	275,270	164,472
24.6	Liability for amounts held under uninsured plans .		
24.7	Funds held under coinsurance .	1,613,385	2,915,105
24.8	Payable for securities .		
24.9	Capital notes \$.....0 and interest thereon \$.....0 .		
25.	Aggregate write-ins for liabilities .	2,944,584	2,886,345
26.	Total Liabilities excluding Separate Accounts business (Lines 1 to 25) .	146,299,506	149,915,834
27.	From Separate Accounts Statement .		
28.	Total Liabilities (Lines 26 and 27) .	146,299,506	149,915,834
29.	Common capital stock .		
30.	Preferred capital stock .		
31.	Aggregate write-ins for other than special surplus funds .		
32.	Surplus notes .		
33.	Gross paid in and contributed surplus .		
34.	Aggregate write-ins for special surplus funds .	7,328,146	8,156,539
35.	Unassigned funds (surplus) .	(685,274)	1,338,512
36.	Less treasury stock, at cost:		
36.1	.....0 shares common (value included in Line 29 \$.....0) .		
36.2	.....0 shares preferred (value included in Line 30 \$.....0) .		
37.	Surplus (Total Lines 31 to 35, Less 36) (including \$.....0 in Separate Accounts Statement) .	6,642,872	9,495,051
38.	Totals of Lines 29, 30 and 37 .	6,642,872	9,495,051
39.	Totals of Lines 28 and 38 .	152,942,378	159,410,885
DETAILS OF WRITE-INS			
2501.	GROUP LIFE FUNDS HELD ON DEPOSIT .	2,944,584	2,886,345
2502.	. . . . .	
2503.	. . . . .	
2598.	Summary of remaining write-ins for Line 25 from overflow page .		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .	2,944,584	2,886,345
3101.	. . . . .	
3102.	. . . . .	
3103.	. . . . .	
3198.	Summary of remaining write-ins for Line 31 from overflow page .		
3199.	TOTALS (Lines 3101 through 3103 plus 3198) (Line 31 above) .		
3401.	APPROPRIATION OF DESTRENGTHENED RESERVES .	103,982	751,505
3402.	SURPLUS FROM REINSURANCE .	7,224,164	7,405,034
3403.	. . . . .	
3498.	Summary of remaining write-ins for Line 34 from overflow page .		
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .	7,328,146	8,156,539

SUMMARY OF OPERATIONS

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	22,214,957	30,263,266	37,311,837
2. Considerations for supplementary contracts with life contingencies			
3. Net investment income	5,864,205	5,147,442	7,326,219
4. Amortization of Interest Maintenance Reserve (IMR)	156,117	159,308	215,296
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded	4,073,227	10,655,325	12,147,768
7. Reserve adjustments on reinsurance ceded	(5,124)	23,436,883	23,706,148
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts			
8.2 Charges and fees for deposit-type contracts			
8.3 Aggregate write-ins for miscellaneous income	(661,776)	198,326	(157,379)
9. Totals (Lines 1 to 8.3)	31,641,606	69,860,548	80,549,889
10. Death benefits	13,956,185	19,710,117	24,985,211
11. Matured endowments (excluding guaranteed annual pure endowments)	(286,016)	207,826	249,588
12. Annuity benefits			
13. Disability benefits and benefits under accident and health contracts	558,134	411,768	579,596
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts	1,968,623	1,526,644	2,315,760
16. Group conversions	41,877	23,197	17,494
17. Interest and adjustments on contract or deposit-type contract funds	20,325	10,542	4,425
18. Payments on supplementary contracts with life contingencies	1,172	1,938	8,287
19. Increase in aggregate reserves for life and accident and health contracts	621,743	29,152,066	29,379,771
20. TOTALS (Lines 10 to 19)	16,882,043	51,044,098	57,540,132
21. Commissions on premiums, annuity considerations, and deposit type contract funds (direct business only)	1,697,735	1,701,651	2,190,835
22. Commissions and expense allowances on reinsurance assumed	853,010	7,848,495	8,202,049
23. General insurance expenses	10,690,910	11,864,513	15,715,293
24. Insurance taxes, licenses and fees, excluding federal income taxes	967,755	960,988	1,380,125
25. Increase in loading on deferred and uncollected premiums	1,220,171	(574,441)	(683,829)
26. Net transfers to or (from) Separate Accounts, net of reinsurance			
27. Aggregate write-ins for deductions	(24,597)	(332,004)	216,610
28. Totals (Lines 20 to 27)	32,287,027	72,513,299	84,561,215
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	(645,422)	(2,652,751)	(4,011,326)
30. Dividends to policyholders	293,047	385,262	522,764
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	(938,469)	(3,038,013)	(4,534,090)
32. Federal and foreign income taxes incurred (excluding tax on capital gains)			
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	(938,469)	(3,038,013)	(4,534,090)
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....0 (excluding taxes of \$.....0 transferred to the IMR)	(1,742,520)	(359,832)	124,265
35. Net income (Line 33 plus Line 34)	(2,680,989)	(3,397,845)	(4,409,825)
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	9,495,051	12,971,474	12,971,474
37. Net Income (Line 35)	(2,680,989)	(3,397,845)	(4,409,825)
38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	(521,920)	33,321	251,492
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in net deferred income tax			1,225,487
41. Change in nonadmitted assets	463,090	1,025,844	72,913
42. Change in liability for reinsurance in unauthorized companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve	288,513	137,146	138,029
45. Change in treasury stock			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts Statement			
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles			
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in			
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance	(180,870)	(172,238)	(222,473)
52. Dividends to stockholders			
53. Aggregate write-ins for gains and losses in surplus	(220,004)	(87,412)	(532,045)
54. Net change in capital and surplus (Lines 37 through 53)	(2,852,180)	(2,461,184)	(3,476,422)
55. Capital and surplus as of statement date (Lines 36 + 54)	6,642,872	10,510,290	9,495,051
DETAILS OF WRITE-INS			
08.301. MISCELLANEOUS INCOME	27,112	81,022	121,610
08.302. ADMINISTRATIVE SERVICE CHARGES	2,351	115,210	146,467
08.303. OI CHANGE IN CONVERSION POOL ASSETS-ASSUMED			(349,735)
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	(691,239)	2,093	(75,721)
08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	(661,776)	198,326	(157,379)
2701. DEFERRED COMP	249,464	373,907	670,963
2702. OTHER DEDUCTIONS	(332,300)		(432,784)
2703. INC (DEC) IN GRP FUNDS ON DEPOSIT	58,239	(23,714)	(23,714)
2798. Summary of remaining write-ins for Line 27 from overflow page		(682,198)	2,145
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)	(24,597)	(332,004)	216,610
5301. SURPLUS INC / DEC -PPA FOR OTHER PRIOR PERIOD ADJUSTMENTS	194,191	(113,978)	(830,323)
5302. SURPLUS INC / DEC - PRIOR PERIOD ADJUSTMENT - 2008 AUDIT ADJUSTMENTS	(414,195)		
5303. SURPLUS INC / DEC - PRIOR PERIOD ADJUSTMENT - 2007 AUDIT ADJUSTMENTS			298,278
5398. Summary of remaining write-ins for Line 53 from overflow page		26,566	
5399. TOTALS (Lines 5301 through 5303 plus 5398) (Line 53 above)	(220,004)	(87,412)	(532,045)

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance	22,782,318	39,689,177
2.	Net investment income	6,752,505	7,526,654
3.	Miscellaneous income	3,411,451	35,696,537
4.	Total (Lines 1 to 3)	32,946,274	82,912,368
5.	Benefit and loss related payments	20,130,150	29,324,875
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	14,854,990	26,724,272
8.	Dividends paid to policyholders	335,258	427,211
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		
10.	Total (Lines 5 through 9)	35,320,398	56,476,358
11.	Net cash from operations (Line 4 minus Line 10)	(2,374,125)	26,436,010
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	31,387,945	41,247,258
12.2	Stocks	1,767,000	43,750
12.3	Mortgage loans	1,416,874	1,750,031
12.4	Real estate	207,917	218,376
12.5	Other invested assets		7,800
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds	671,669	
12.8	Total investment proceeds (Lines 12.1 to 12.7)	35,451,405	43,267,215
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	31,118,412	60,271,572
13.2	Stocks	1,493,970	62,810
13.3	Mortgage loans	1,792,598	2,781,383
13.4	Real estate	182,759	166,984
13.5	Other invested assets		
13.6	Miscellaneous applications		624,571
13.7	Total investments acquired (Lines 13.1 to 13.6)	34,587,739	63,907,320
14.	Net increase (or decrease) in contract loans and premium notes	(299,908)	1,644,656
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)	1,163,574	(22,284,761)
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities	(33,943)	(70,535)
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)	(66,989)	1,158,886
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(100,932)	1,088,351
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(1,311,482)	5,239,600
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	12,170,662	6,931,060
19.2	End of period (Line 18 plus Line 19.1)	10,859,180	12,170,660

Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

Description		Amount 1	Amount 2
20.0001		

EXHIBIT 1
DIRECT PREMIUMS AND DEPOSIT - TYPE CONTRACTS

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
1.	Industrial life	589,814	431,983	562,536
2.	Ordinary life insurance	12,051,966	9,751,334	12,838,327
3.	Ordinary individual annuities	214,782	315,951	387,575
4.	Credit life (group and individual)			
5.	Group life insurance	3,019,139	5,094,084	6,750,180
6.	Group annuities			
7.	A & H - group	2,569,662	2,180,393	2,968,467
8.	A & H - credit (group and individual)			
9.	A & H - other	257,939	294,513	385,587
10.	Aggregate of all other lines of business			
11.	Subtotal	18,703,303	18,068,258	23,892,672
12.	Deposit-type contracts			
13.	Total	18,703,303	18,068,258	23,892,672
DETAILS OF WRITE-INS				
1001.	.....		
1002.	.....		
1003.	.....		
1098.	Summary of remaining write-ins for Line 10 from overflow page			
1099.	Totals (Lines 1001 through 1003 plus 1098) (Line 10 above)			

Notes to Financial Statement

1. Summary of Significant Accounting Policies

- A. The financial statements of North Carolina Mutual Life Insurance Company (“Company” or “NCM”) have been completed in accordance with the National Association of Insurance Commissioners (“NAIC”) Accounting Practices and Procedures Manual. The State of North Carolina Department of Insurance (“NCDOI”) recognizes only statutory accounting practices prescribed or permitted by the State of North Carolina for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under North Carolina General Statutes. The NAIC Accounting Practices and Procedures manual has been adopted as a component of prescribed or permitted practices by the State of North Carolina.
- B. Use of Estimates in the Preparation of the Financial Statements.

The preparation of the financial statements in conformity with Statements of Statutory Accounting Principles (SSAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Life premiums are recognized as income over the premium paying period of the related policies. Annuity considerations are recognized as revenue when received. Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Beginning in 2005, reinsurance treaties not conforming to the requirements of SSAP No. 61, *Life, Deposit-Type and Accident and Health Insurance*, and Appendix A-791, *Life and Health Reinsurance Agreements*, utilize deposit accounting (see Note 2A). Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

The amount of dividends to be paid to policyholders is determined annually by the Company’s Board of Directors. The aggregate amount of policyholders’ dividends is related to actual interest, mortality, morbidity and expense experience for the year and judgment as to the appropriate level of statutory surplus to be retained by the Company.

In addition, the Company uses the following accounting policies:

1. Short-term investments are stated at amortized cost.
2. Non-investment grade bonds and loan-backed and structured securities with a NAIC designation of “6” are reported at the lower of amortized cost or fair value; investment grade bonds are reported at amortized cost.
3. Common stocks are stated at market.
4. Preferred stocks are stated at cost, redeemable preferred stocks with NAIC designations 4 to 6 are reported at the lower of cost, amortized cost, or fair value and perpetual preferred stocks with a NAIC designation of 4 to 6 are reported at the lower of cost or fair value.
5. Mortgage loans on real estate are stated at the aggregate unpaid balance.
6. Loan-backed and structured securities are stated at amortized cost using the interest method including anticipated prepayments at the date of purchase, except for those with an NAIC designation of 6 which shall be reported at the lower of amortized cost or fair value.
7. On a quarterly basis, the Company reviews individual instances within its debt and equity portfolios for unrealized losses and makes a judgment whether the decline in fair value is deemed to be “other than temporary.”
8. The Company owns 10.55% interest in Piedmont Investment Advisors, LLC, an investment advisory service company. The security is recorded using the equity method as prescribed in SSAP No. 97.
9. The Company has no derivatives.
10. The investment income was not used as a factor in the premium deficiency calculation.
11. The triangle development method was used to estimate the liabilities including claim expenses for accident and health contracts.
12. Policy loans are stated at the aggregate unpaid balance.
13. The Company uses straight-line depreciation for all of its real estate holdings with lives varying depending upon the type of building.
14. Company occupied investment real estate and properties held for the production of income are stated at depreciated cost less encumbrances. Properties held for sale are reported at lower of cost or depreciated value.
15. The Company reports cash surrender value of life insurance on certain officers net of related policy loans. Policy loans were \$5,312,106 as of September 30, 2009 and \$4,670,041 as of December 31, 2008.

Notes to Financial Statement

2. Accounting Changes and Corrections of Errors
Not applicable.

3. Business Combinations and Goodwill
Not applicable.

4. Discontinued Operations
Not applicable.

5. Investments
A. Mortgage Loans

1. The maximum and minimum lending rates for mortgage loans established during 2009 were:

Residential	No Loans
Commercial	6.95%

2. During 2009, the Company had no reduction in the interest rates of outstanding loans.

3. The maximum percentage of any one real estate mortgage loan to the appraised value of the underlying collateral at the time of the loan was 75%.

	<u>2009</u>	<u>2008</u>
4. As of these dates, the Company held mortgages with interest 180 days or more past due with a recorded investment, excluding accrued interest	\$484,204	\$ 277,362
Total interest due on mortgages with interest 180 days or more past due	\$18,772	\$14,119
5. Taxes, assessments and any amounts advanced and not included in the mortgage loan total	0	0
6. Current period/year impaired loans with a related allowance for credit losses	0	0
Related allowance for credit losses	0	0
7. Impaired mortgage loans without an allowance for credit losses	\$484,204	408,364
8.		
9. Average recorded investment in impaired loans	\$242,102	102,091
10. Interest income recognized during the period the loans were impaired	0	0
10. The amount of interest income recognized on a cash basis during the period the loans were impaired	0	0
11. Allowance for credit losses:		
a) Balance at beginning of period	\$ 0	\$63,040
b) Additions charged to operations	0	0
c) Direct write-downs charged against the allowances	0	0
d) Recoveries of amounts previously charged off	<u>0</u>	<u>(63,040)</u>
e) Balance at end of period	<u>\$ 0</u>	<u>\$ 0</u>

12. The Company recognizes interest income on its impaired loans upon receipt.

13. During the first quarter of 2009, the Company began foreclosure proceedings against loan holders in default of their promissory notes. In June 2009, the Company foreclosed two properties, valued at \$158,274. One of the foreclosed property was sold in third quarter 2009, and other is reflected as property held for sale.

B. The Company has no invested assets that are restructured debt.

C. The Company has no investments in reverse mortgages.

D. Loan-Back Securities

1. The Company has elected to use the book value as of January 1, 1994 as the cost for applying the retrospective method for securities purchased prior to that date.

Notes to Financial Statement

2. Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from broker dealer advices.
3. Loan-backed securities are reported at amortized cost, except those with an NAIC designation 6, which are reported at the lower of amortized cost or market value. The Company used Interactive Data Corporation in determining the market value of its loan-backed securities.

E. Repurchase Agreements

The Company has no investment in repurchase agreements.

F. Real Estate

1. No impairment losses recorded on real estate investments during the statement periods.
2. The Company sold one real estate property held for sale during the third quarter of 2009, generating \$52,755 in gain.
3. The Company has no plans to change the status of real estate held for sale.
4. The Company does not engage in retail land sale operations

G. Low-Income Housing Tax Credits

The Company has no investment in LIHTC

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in Joint Ventures, Partnerships or Liability Companies that exceed 10% of its admitted assets.
- B. During 2009, the Company did not recognize any impairment write-down for its investments in Joint Ventures, Partnerships and Limited Liability Companies.

7. Investment Income

- A. Due and accrued income was excluded from surplus on the following basis:

All investment income due and accrued on bonds in or near default, and other amounts that are over 90 days past due with the exception of mortgage loans in default, which are excluded when 180 days or more past due.

- B. The total amount of due and accrued interest excluded for the quarter ended September 30, 2009 was \$18,772.

8. Derivative Instruments

The Company does not have any derivative instruments.

9. Income Taxes

There was no tax expense for the quarter ending September 30, 2009.

The Company had a loss carryforward of \$19,861,325 at December 31, 2008. In addition, the Company has Alternative Minimum Tax credit carryforward of \$160,275. The Company has no capital loss carryforward at December 31, 2008.

10. Information Concerning Parent, Subsidiaries and Affiliates

Not applicable.

11. Debt

The Company has no capital notes or debentures outstanding.
The Company does not have any reverse repurchase agreements.

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Postretirement Benefit Plans

There are no changes.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

Not applicable.

14. Contingencies

- A. Contingent Commitments
No change.

Notes to Financial Statement

B. Risk Pool Assessments
Not applicable.

C. Gain Contingencies
Not applicable.

15. Leases

A. The Company has no non-cancelable operating leases. Rental expense for the period ended September 30, 2009 and 2008 were approximately \$1,307,697 and \$1,189,280, respectively.

In connection with sale of the Home Office property in 2006, the Company has entered into an agreement to lease back a portion of the building through 2019, with total future lease obligation of \$15,059,813 as of September 30, 2009.

In December 2008, the Company entered into a sales-lease back agreement for computers and equipment. As of September 30, 2009 the agreement has a future lease obligation of \$216,998 through 2011. The Company has the option at the end of the lease to buy back the equipment for a \$1.

As of September 30, 2009, there are no other minimum remaining aggregate rental commitments.

B. The Company owns and leases real estate. The Company has no leveraged lease transactions.

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

See Note 14A above.

17. Sales, Transfer and Servicing of Financial Assets and Extinguishing of Liabilities

A. Transfers of Receivables Reported as Sales
None.

B. Transfer and Servicing of Financial Assets
None.

C. Wash Sales
None.

18. Gain or Loss to the Reporting Entity from Uninsured Accident and Health Plans and the Uninsured Portion of Partially Insured Plans

Not applicable.

19. Direct Premium Written/Produced by Managing General Agents/Third-Party Administrators

Name and Address	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premiums Written/Produced
Employers Direct Health, Inc. 5050 Spring Valley Rd. Dallas, TX 75244	75-2322062	No	Group: Medical Dental Life	U, C, CA, P	\$(39)
TRISTAR Insurance Services 100 Oceangate, Suite 700 Long Beach, CA 90802	20-2101656	No	Group: Medical Life	U, C, CA, P	\$148,118
Vision Financial Services, Inc. 17 Church St./ P. O. Box 506 Keene, NH 03431-0506	02-0430860	No	Universal Life	U, C, CA, P	\$592,108
Universal Fidelity Life Ins. Co. 2211 North Highway 81. Duncan, OK 73533	73-0493220	No	Individual and Group: Preneed	U, C, CA, P	\$140,772
Total Plan Services, Inc 14001 Dallas Parkway North Suite 700 Dallas, Texas 75240	75-1946277	No	Group: Medical Life	U, C, CA, P	\$902,537
National Underwriters, Inc. P O Box 3688	57-1120400	No	Group: Life	U	\$953

Notes to Financial Statement

Greenville, SC 29608					
Benefit and Risk Management Services 10860 Gold Center Drive Rancho Cordova, CA 95670	68-0306908	No	Group: Medical	U, C, CA, P	\$1,097,885

20. Other Items

- A. Extraordinary Items
Not applicable.
- B. Troubled Debt Restructuring
Not applicable.
- C. Uncollected Balances

At September 30, 2009 and December 31, 2008, the Company had admitted assets of \$1,223,927 and \$2,515,878, respectively, in accounts receivable for uninsured plans and amounts due from agents. The Company routinely evaluates the collectibility of uncollected premiums and writes off any amounts deemed to be uncollectible. During the quarters ended September 30, 2009 and 2008 the Company recorded write offs of receivables amounting to \$0 and \$0 respectively.

During 2006, the Company entered into a \$5.1 million Note Agreement with one of our Managing General Agents (“MGA”) for premium amounts past due. The terms of the Note call for monthly installments of \$25,000 from September 2006 through February 2009, with a balloon payment on March 1, 2009 equal to the balance of any principal and interest amount then outstanding. The Note Agreement also assigns to the Company certain fees and recoveries normally due to the MGA during the normal course of business. As of September 30, 2009, the Company has reflected \$3,129,000 of such assignments as offsets to the Note after deducting payments received of \$1,124,000 and an uncollectible allowance of \$838,000.

EDH did not honor the scheduled balloon payment on March 1, 2009. At the inception of the note, management evaluated the collectability of the balance due from EDH and determined that full collection of such amounts was doubtful; accordingly an allowance was established as of December 31, 2005. The current allowance exceeds the amount of the balloon payment; therefore, the failure of EDH to make such payment has no impact on reported surplus or net income. Future payments, if any, will result in a positive contribution to earnings and surplus.

- D. Business Interruption Insurance Recoveries
Not applicable.

21. Subsequent Events

At September 30, 2009, the Company holds a bond, par valued at \$1.25 Million of CIT Group with market value at 62.5 and book value of \$782,000. The bond was rated a 6FE as of September 30, 2009, and therefore, the Company recorded a realized loss of \$463,000 in the third quarter 2009. On November 2, 2009, CIT Group filed for chapter 11 bankruptcy. As of November 14, 2009, the market value of this bond is 66.00.

22. Reinsurance

- A. Ceded Reinsurance Report
 - Section 1 – General Interrogatories
 - Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by a representative, officer, trustee, or director of the company? Yes () No (X)
 - Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? Yes () No (X)
 - Section 2 – Ceded Reinsurance Report – Part A
 - Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes () No (X)
 - Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes () No (X)
 - Section 3 – Ceded Reinsurance Report – Part B

Notes to Financial Statement

1. What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ 0.
2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement? Yes () No (X)

B. Uncollectible Reinsurance

Not applicable.

C. Commutation of Ceded Reinsurance

Not applicable.

- D. Effective April 1, 2009, the Company entered into a reinsurance agreement with Securian Life to reinsure 100% of the reinsurance liabilities under the assumed reinsurance agreement between Minnesota Life insurance Company and North Carolina Mutual dated January 1, 2005.

23. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2008 were \$180,653. As of September 30, 2009, \$130,000 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$10,900 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on A&H line of insurance. Therefore, there has been a \$39,753 favorable prior-year development since December 31, 2008 to September 30, 2009. The favorable experience is generally the result of ongoing analysis of recent loss development trends.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable.

25. Change in Incurred Losses and Loss Adjustment Expenses

Not applicable.

26. Intercompany Pooling Arrangements

Not applicable.

27. Structured Settlements

Not applicable.

28. Health Care Receivables

A. Not applicable.

B. Not applicable.

29. Participating Policies

A. No Change.

B. The Company accounts for its policyholder dividends on an accrual basis consistent with SSAP 51 and SSAP 54.

C. The Company recorded dividend expense in the amounts of \$293,047 and \$385,262 to individual life policyholders during the year ending September 30, 2009 and 2008, respectively. The Company established separate liabilities for dividends payable in the next 12 months of \$507,135 and \$549,346 as of September 30, 2009, and December 31, 2008, respectively.

D. None

30. Premium Deficiency Reserves

1. As of September 30, 2009 and 2008, there was no Premium Deficiency Reserve.
2. The Company did not consider anticipated investment income when calculating its premium deficiency.

31. Reserves for Life Contracts and Deposit-Type Contracts:

No Change.

Notes to Financial Statement

32. Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics
Withdrawal Characteristics of Annuity Actuarial and Deposit Liabilities

	Exhibit 5B	Exhibit 5C	Exhibit 7	Total	% of Total
A. Subject to discretionary withdrawal					
(1) with market value adjustment	-	-	-	-	0.0%
(2) at book value less surrender charge of 5% or more	782,266	-	-	782,266	15.1%
(3) at market value	-	-	-	-	0.0%
(4) Total with adjustment or at market value	782,266	-		782,266	15.1%
(5) at book value without adjustment	1,711,316		2,692,511	4,433,881	84.9%
B. Not subject to discretionary withdrawal	-	2,402	-	2,402	0.0%
C. Total (gross)	2,493,582	2,402	2,692,511	5,188,495	100.0%
D. Reinsurance ceded	-	-	-	-	
E. Total (net)	2,493,582	2,402	2,692,511	5,188,495	100.0%

33. Premium and Annuity Considerations Deferred and Uncollected (net of ceded)

		Gross	Net
(1)	Industrial	36,805	7,673
(2)	Ordinary new business (incl. Ann.)	422,221	51,642
(3)	Ordinary renewal (incl. Ann.)	4,499,356	2,466,507
(4)	Credit Life	0	0
(5)	Group Life	718,678	718,678
(6)	Group Annuity	0	0
(7)	Totals	5,677,060	3,244,500

34. Separate Accounts
Not applicable.

35. Loss/Claim Adjustment Expenses
The Company recognized \$1,525 and \$1,246 in loss/claims adjustment expenses for the periods ended September 30, 2009 and 2008, respectively.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:

.....
3. Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[] No[X]
- If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
.....

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes[] No[] N/A[X]
- If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2005.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2005.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....07/20/2007.....
- 6.4 By what department or departments?

North Carolina Department of Insurance and Delaware Department of Insurance
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[] No[] N/A[X]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
.....	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes[X] No[]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:

Yes[] No[X]
- 9.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$.....0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....0
13. Amount of real estate and mortgages held in short-term investments:

\$.....0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[X] No[]

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock	28,685	48,910
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	28,685	48,910
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes[] No[X]
Yes[] No[] N/A[X]

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?
16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[]

1 Name of Custodian(s)	2 Custodian Address
U.S. Bank	Washington, DC

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?
16.4 If yes, give full and complete information relating thereto:

Yes[] No[X]

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
80158025	Piedmont Investment Advisors, LLC	Durham, NC

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?
17.2 If no, list exceptions:

Yes[X] No[]

GENERAL INTERROGATORIES

PART 2 - LIFE & HEALTH

1.	Report the statement value of mortgage loans at the end of this reporting period for the following categories:	
1.1	Long-Term Mortgages in Good Standing	
1.11	Farm Mortgages	\$ 0
1.12	Residential Mortgages	\$ 1,204,023
1.13	Commercial Mortgages	\$ 11,085,837
1.14	Total Mortgages in Good Standing	\$ 12,289,860
1.2	Long-Term Mortgages in Good Standing with Restructured Terms	
1.21	Total Mortgages in Good Standing with Restructured Terms	\$ 0
1.3	Long-Term Mortgage Loans upon which Interest is Overdue more than Three Months	
1.31	Farm Mortgages	\$ 0
1.32	Residential Mortgages	\$ 4,022
1.33	Commercial Mortgages	\$ 766,409
1.34	Total Mortgages with Interest Overdue more than Three Months	\$ 770,431
1.4	Long-Term Mortgage Loans in Process of Foreclosure	
1.41	Farm Mortgages	\$ 0
1.42	Residential Mortgages	\$ 0
1.43	Commercial Mortgages	\$ 0
1.44	Total Mortgages in Process of Foreclosure	\$ 0
1.5	Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)	\$ 13,060,291
1.6	Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61	Farm Mortgages	\$ 0
1.62	Residential Mortgages	\$ 0
1.63	Commercial Mortgages	\$ 0
1.64	Total Mortgages Foreclosed and Transferred to Real Estate	\$ 0

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
Life and annuity - affiliates						
93742	41-1412669	04/01/2009	SECURIAN LIFE INS CO	ST PAUL, MN	CO/G	Yes[X] No[] ...

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year To Date - Allocated by States and Territories

States, Etc.		1	Direct Business Only					
			Life Contracts		4	5	6	7
			2	3				
1.	Alabama (AL)	L	439,416		564		439,980	
2.	Alaska (AK)	N						
3.	Arizona (AZ)	L	336				336	
4.	Arkansas (AR)	N	175				175	
5.	California (CA)	L	374,911		1,344,732		1,719,643	
6.	Colorado (CO)	N						
7.	Connecticut (CT)	N	90				90	
8.	Delaware (DE)	N	27				27	
9.	District of Columbia (DC)	L	371,390	5,302	11,189		387,881	
10.	Florida (FL)	L	270,406		198		270,604	
11.	Georgia (GA)	L	1,401,222	18,435	510,413		1,930,070	
12.	Hawaii (HI)	N						
13.	Idaho (ID)	L	11				11	
14.	Illinois (IL)	L	2,879,371	525	885		2,880,781	
15.	Indiana (IN)	L	17,691		151,053		168,744	
16.	Iowa (IA)	N	110				110	
17.	Kansas (KS)	N	187				187	
18.	Kentucky (KY)	L	43,502		362		43,864	
19.	Louisiana (LA)	L	108,058		67,864		175,922	
20.	Maine (ME)	N						
21.	Maryland (MD)	L	787,895	12,578	4,264		804,737	
22.	Massachusetts (MA)	N	296				296	
23.	Michigan (MI)	L	686,229	8,071	5,271		699,571	
24.	Minnesota (MN)	N	(199)				(199)	
25.	Mississippi (MS)	L	360,952				360,952	
26.	Missouri (MO)	L	1,187		14		1,201	
27.	Montana (MT)	N						
28.	Nebraska (NE)	N						
29.	Nevada (NV)	L	27				27	
30.	New Hampshire (NH)	N	86				86	
31.	New Jersey (NJ)	L	376,510	2,271	2,161		380,942	
32.	New Mexico (NM)	N						
33.	New York (NY)	N	5,248		134		5,382	
34.	North Carolina (NC)	L	3,400,077	144,034	772,627		4,316,738	
35.	North Dakota (ND)	N						
36.	Ohio (OH)	L	21,625		123		21,748	
37.	Oklahoma (OK)	L	134				134	
38.	Oregon (OR)	N	19				19	
39.	Pennsylvania (PA)	L	901,504	2,525	4,670		908,699	
40.	Rhode Island (RI)	N						
41.	South Carolina (SC)	L	599,410	3,622	34,704		637,736	
42.	South Dakota (SD)	N						
43.	Tennessee (TN)	L	431,624	9,881	36,360		477,865	
44.	Texas (TX)	L	80,590		(40)		80,550	
45.	Utah (UT)	N						
46.	Vermont (VT)	N						
47.	Virginia (VA)	L	699,573	7,661	37,750		744,984	
48.	Washington (WA)	N	412				412	
49.	West Virginia (WV)	N						
50.	Wisconsin (WI)	N	38				38	
51.	Wyoming (WY)	N						
52.	American Samoa (AS)	N						
53.	Guam (GU)	N						
54.	Puerto Rico (PR)	N						
55.	U.S. Virgin Islands (VI)	N						
56.	Northern Mariana Islands (MP)	N						
57.	Canada (CN)	N						
58.	Aggregate other alien (OT)	X X X						
59.	Subtotal	(a) 25	14,260,140	214,905	2,985,298		17,460,343	
90.	Reporting entity contributions for employee benefits plans	X X X	101,120				101,120	
91.	Dividends or refunds applied to purchase paid-up additions and annuities	X X X	231,653				231,653	
92.	Dividends or refunds applied to shorten endowment or premium paying period	X X X						
93.	Premium or annuity considerations waived under disability or other contract provisions	X X X	100,230				100,230	
94.	Aggregate other amounts not allocatable by State	X X X						
95.	Totals (Direct Business)	X X X	14,693,143	214,905	2,985,298		17,893,346	
96.	Plus Reinsurance Assumed	X X X	16,600,869		353,609		16,954,478	
97.	Totals (All Business)	X X X	31,294,012	214,905	3,338,907		34,847,824	
98.	Less Reinsurance Ceded	X X X	9,993,911		2,071,598		12,065,509	
99.	Totals (All Business) less Reinsurance Ceded	X X X	21,300,101	214,905	1,267,309		22,782,315	
DETAILS OF WRITE-INS								
5801.		X X X						
5802.		X X X						
5803.		X X X						
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X						
5899.	TOTAL (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X						
9401.		X X X						
9402.		X X X						
9403.		X X X						
9498.	Summary of remaining write-ins for Line 94 from overflow page	X X X						
9499.	TOTAL (Lines 9401 through 9403 plus 9498) (Line 94 above)	X X X						

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	RESPONSES
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	No
2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	No
3. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	No
4. Will the Reasonableness of Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	No
5. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC?	No
6. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC?	No
7. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC?	No

Explanations:

Bar Codes:

Trusteed Surplus Statement



Medicare Part D Coverage Supplement



Reasonableness 1 - Assumptions



Reasonableness 2 - Consistency



Reasonableness 3 - Implied Guarantee



Reasonableness 4 - Ave. Market Value



Reasonableness 5 - Market Value



OVERFLOW PAGE FOR WRITE-INS

ASSETS

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2304. A/R SE DURHAM DEVELOPMENT CORP	91,063	91,063		
2305. OTHER AMOUNTS RECEIVABLE	104,254	89,762	14,492	103,269
2306. PERSONAL LOANS TO EMPLOYEES	887	887		
2307. NON QUALIFIED PENSION BENEFIT ASSETS	488,532	488,532		
2308. LEASEHOLD IMPROVEMENTS	177,081	177,081		
2397. Summary of remaining write-ins for Line 23 (Lines 2304 through 2396)	861,817	847,325	14,492	103,269

SUMMARY OF OPERATIONS

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
08.304. INC (DEC) ON FUNDS HELD ASSET	(720,538)	(4,233)	(22,352)
08.305. CASH OVER / SHORT	643	(1,711)	1,459
08.306. DEPOSIT ACCOUNTING INCOME	28,656	3,136	(54,828)
08.307. OI CHANGE IN CONVERSION POOL ASSETS-ASSUMED		4,902	
08.397. Summary of remaining write-ins for Line 8.3 (Lines 08.304 through 08.396)	(691,239)	2,093	(75,721)
2704. LEGAL SETTLEMENT		1,545	2,145
2705. QUALIFIED PENSION BENEFIT COST			
2706. INC IN CSV AND OTHER DEDUCTIONS		(683,743)	
2797. Summary of remaining write-ins for Line 27 (Lines 2704 through 2796)		(682,198)	2,145
5304. SURPLUS INC / DEC - PPA FOR DEF COMP		26,566	
5397. Summary of remaining write-ins for Line 53 (Lines 5304 through 5396)		26,566	

STATEMENT AS OF **September 30, 2009** OF THE **NORTH CAROLINA MUTUAL LIFE INSURANCE COMPANY**

SCHEDULE A - VERIFICATION

Real Estate		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	18,840	24,324
2. Cost of acquired		
2.1 Actual cost at time of acquisition	158,274	166,984
2.2 Additional investment made after acquisition	24,485	
3. Current year change in encumbrances		
4. Total gain (loss) on disposals	52,755	46,037
5. Deduct amounts received on disposals	207,916	218,376
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		129
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)	46,438	18,840
10. Deduct total nonadmitted amounts		18,840
11. Statement value at end of current period (Line 9 minus Line 10)	46,438	0

SCHEDULE B - VERIFICATION

Mortgage Loans		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	12,791,745	11,760,393
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	1,691,000	518,000
2.2 Additional investment made after acquisition	101,598	2,263,383
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals	1,416,874	1,750,031
8. Deduct amortization of premium and mortgage interest points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	13,167,468	12,791,745
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)	13,167,468	12,791,745
14. Deduct total nonadmitted amounts	107,178	130,013
15. Statement value at end of current period (Line 13 minus Line 14)	13,060,290	12,661,732

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets		
Description	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	33,182	40,982
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		7,800
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	33,182	33,182
12. Deduct total nonadmitted amounts	33,182	33,182
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	104,130,847	84,953,254
2. Cost of bonds and stocks acquired	32,612,382	61,084,585
3. Accrual of discount	360,849	298,537
4. Unrealized valuation increase (decrease)	(520,893)	(595,093)
5. Total gain (loss) on disposals	1,016,236	(186,440)
6. Deduct consideration for bonds and stocks disposed of	33,154,945	41,291,003
7. Deduct amortization of premium	148,464	132,993
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized	1,854,332	
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	102,441,680	104,130,847
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	102,441,680	104,130,847

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	68,341,249	5,710,528	2,123,097	(1,278,032)	73,064,226	68,341,249	70,650,648	74,233,424
2. Class 2 (a)	24,433,232		505,457	1,242,776	25,334,543	24,433,232	25,170,551	27,926,173
3. Class 3 (a)	3,976,606			(1,241,008)	3,472,336	3,976,606	2,735,598	940,057
4. Class 4 (a)	1,022,780			113	1,033,843	1,022,780	1,022,893	
5. Class 5 (a)	1,703,568		109,213	(340)	1,814,822	1,703,568	1,594,015	101,973
6. Class 6 (a)	1,977,589		1,693,072	503,039	2,142,165	1,977,589	787,556	935,820
7. Total Bonds	101,455,024	5,710,528	4,430,839	(773,452)	106,861,935	101,455,024	101,961,261	104,137,447
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	101,455,024	5,710,528	4,430,839	(773,452)	106,861,935	101,455,024	101,961,261	104,137,447

Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SCHEDULE DA - PART 1

Short - Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999. Totals	9,521,720	X X X	9,512,539	9,181	

SCHEDULE DA - Verification

Short-Term Investments

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	10,038,901	4,879,724
2.	Cost of short-term investments acquired	43,069,375	72,981,027
3.	Accrual of discount	3,774	1,841
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals	7,462	11,875
6.	Deduct consideration received on disposals	43,597,792	67,835,566
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized ...		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	9,521,720	10,038,901
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	9,521,720	10,038,901

SCHEDULE DB - PART F - SECTION 1
Summary of Replicated (Synthetic) Assets Open

Replicated (Synthetic) Asset					Components of the Replicated (Synthetic) Asset							
1 Replication RSAT Number	2 Description	3 NAIC Designation or Other Description	4 Statement Value	5 Fair Value	Derivative Instruments Open		Cash Instrument(s) Held					
					6	7	8	9	10	11	12	
					Description	Fair Value	CUSIP	Description	Statement Value	Fair Value	NAIC Designation or Other Description	
					NONE							
9999999 Totals	X X X	X X X ...	X X X	X X X

SCHEDULE DB - PART F - SECTION 2
Reconciliation of Replicated (Synthetic) Assets Open

		First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-To-Date	
		1	2	3	4	5	6	7	8	9	10
		Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value
1.	Beginning Inventory .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2.	Add: Opened or Acquired Transactions .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3.	Add: Increases in Replicated Asset Statement Value .....	..... X X X .....	.....	..... X .....	.....	..... X X X .....	.....	..... X X X .....	.....	..... X X X .....	.....
4.	Less: Closed or Disposed of Transactions .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
5.	Less: Positions Disposed of for Failing Effectiveness Criteria .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
6.	Less: Decreases in Replicated (Synthetic) Asset Statement Value .....	..... X X X .....	.....	..... X X X .....	.....	..... X X X .....	.....	..... X X X .....	.....	..... X X X .....	.....
7.	Ending Inventory .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

NONE

SCHEDULE E - Verification
(Cash Equivalents)

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	.....	.....
2.	Cost of cash equivalents acquired .....	.....	.....
3.	Accrual of discount .....	.....	.....
4.	Unrealized valuation increase (decrease) .....	.....	.....
5.	Total gain (loss) on disposals .....	.....	.....
6.	Deduct consideration received on dis .....	.....	.....
7.	Deduct amortization of premium .....	.....	.....
8.	Total foreign exchange change in boc .....	.....	.....
9.	Deduct current year's other than temporary impairment recognized .....	.....	.....
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	.....	.....
11.	Deduct total nonadmitted amounts .....	.....	.....
12.	Statement value at end of current period (Line 10 minus Line 11) .....	.....	.....

NONE

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED and Additions Made During the Current Quarter

1 Description of Property	Location		4	5	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2	3						
	City	State	Date Acquired	Name of Vendor				
<div>NONE</div>								
0399999 Totals

SCHEDULE A - PART 3

Showing All Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract"

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances Prior Year	Change in Book/Adjusted Carrying Value Less Encumbrances				14 Book/Adjusted Carrying Value Less Encumbrances on Disposal	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs and Expenses Incurred
	2 City	3 State						9 Current Year's Depreciation	10 Current Year's Other Than Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B/A C.V. (11 - 9 - 10)	13 Total Foreign Exchange Change in B/A C.V.						
Property disposed																		
POINCIANA DRIVE	DURHAM	NC	08/31/2009	CITY OF DURHAM .....	..... 130,676	.....	.....	.....	.....	.....	.....	.....	..... 207,916	.....	..... 52,755	..... 52,755	.....	..... 24,485
0199999 Subtotal - Property disposed .....					..... 130,676	.....	.....	.....	.....	.....	.....	.....	..... 207,916	.....	..... 52,755	..... 52,755	.....	..... 24,485
0399999 Totals .....					..... 130,676	.....	.....	.....	.....	.....	.....	.....	..... 207,916	.....	..... 52,755	..... 52,755	.....	..... 24,485

SCHEDULE B - PART 2

Showing All Mortgage Loans ACQUIRED During the Current Quarter

1	Location		4	5	6	7	8	9
	2	3						
Loan Number	City	State	Loan Type	Date Acquired	Rate of Interest	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Value of Land and Buildings
N O N E								
3399999 Total Mortgages (sum of Lines 0899999, 1699999, 2499999 and 3299999)								

SCHEDULE B - PART 3

Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1	Location		4	5	6	7	Change in Book Value/Recorded Investment						14	15	16	17	18
	2	3					8	9	10	11	12	13					
Loan Number	City	State	Loan Type	Date Acquired	Disposal Date	Book Value/Recorded Investment Excluding Accrued Interest Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in Book Value (8+9-10+11)	Total Foreign Exchange Change in Book Value	Book Value/Recorded Investment Excluding Accrued Interest on Disposal	Consider-ation	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal
Mortgages closed by repayment																	
7014	DURHAM	NC		01/14/1987	09/30/2009	33,893							32,871	32,874			
0199999 Subtotal - Mortgages closed by repayment						33,893							32,871	32,874			
Mortgages trasnferred																	
1540	DURHAM	NC		07/07/1988	06/19/2009	27,598							27,598	27,598			
8039	DURHAM	NC		07/15/1999	06/19/2009	130,676							130,676	130,676			
0499999 Subtotal - Mortgages trasnferred						158,274							158,274	158,274			
0599999 Totals						192,167							191,145	191,148			

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED During the Current Quarter

1	2	Location		5	6	7	8	9	10	11	12	13
		3	4									
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Designation	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership
3999999 Total - Unaffiliated X X X
4099999 Total - Affiliated X X X
4199999 TOTALS X X X

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Change in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9 + 10 - 11 + 12)	14 Total Foreign Exchange Change in B./A.C.V.						
3999999 Total - Unaffiliated																			
4099999 Total - Affiliated																			
4199999 TOTALS																			

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
912828KQ2	U.S. TREASURY BOND .....	.....	07/24/2009	SALOMON/CITICORP	X X X	931,430	975,000.00	6,044	1
912828KT6	U.S. TREASURY BOND .....	.....	07/30/2009	WACHOVIA	X X X	759,438	800,000.00	6,333	1
912828KW9	U.S. TREASURY BOND .....	.....	07/15/2009	CITIGROUP	X X X	732,958	725,000.00	2,961	1
912828LJ7	U.S. TREASURY BOND .....	.....	09/09/2009	CAPIS	X X X	1,716,203	1,700,000.00	5,191	1
912828LL2	U.S. TREASURY BOND .....	.....	08/27/2009	BARCLAYS	X X X	867,084	875,000.00	1	1
912828KD1	U.S. TREASURY BOND .....	.....	07/15/2009	CREDIT SUISSE 1st BOSTON	X X X	702,891	750,000.00	8,603	1
0399999 Subtotal - Bonds - U.S. Governments					X X X	5,710,004	5,825,000.00	29,132	X X X
8399997 Subtotal - Bonds - Part 3					X X X	5,710,004	5,825,000.00	29,132	X X X
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds					X X X	5,710,004	5,825,000.00	29,132	X X X
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
Common Stock - Industrial and Miscellaneous (Unaffiliated)									
172967101	CITIGROUP INC .....	.....	07/30/2009	CITIGROUP	569,999.996	1,493,970	X X X .....	.....	L
9099999 Subtotal - Common Stock - Industrial and Miscellaneous (Unaffiliated)					X X X	1,493,970	X X X .....	.....	X X X
9799997 Subtotal - Common Stock - Part 3					X X X	1,493,970	X X X .....	.....	X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
9799999 Subtotal - Common Stocks					X X X	1,493,970	X X X .....	.....	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X	1,493,970	X X X .....	.....	X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	7,203,974	X X X	29,132	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of
by the Company During the Current Quarter

Q405

CUSIP Identification	Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.								
Bonds - U.S. Governments																						
31297TDS9	FHLMC GOLD POOL #A37313		09/15/2009	PRINCIPAL RECEIPT	X X X	39,180	39,180.16	39,866	39,864		(684)		(684)		39,180				1,394	09/01/2035	1	
31292GGT7	FHLMC GOLD POOL #C00210		09/30/2009	PRINCIPAL RECEIPT	X X X	1,091	1,090.84	1,138	1,115		(24)		(24)		1,091				62	01/01/2023	1	
31368NG46	FNMA GTD PASS THRU		09/25/2009	PRINCIPAL RECEIPT	X X X	252	252.12	251	251			1		1	252				13	12/01/2012	1	
31400XZ84	FNMA GTD PASS THRU		09/25/2009	PRINCIPAL RECEIPT	X X X	2,075	2,074.52	2,135	2,187		(113)		(113)		2,075				69	04/01/2033	1	
31371MNN94	FNMA POOL #256116A		09/15/2009	PRINCIPAL RECEIPT	X X X	133,184	133,184.04	135,657	135,441		(2,257)		(2,257)		133,184				4,764	02/01/2026	1	
31371NINQJ7	FNMA POOL #257057		09/30/2009	PRINCIPAL RECEIPT	X X X	87,886	87,885.98	90,426			(2,540)		(2,540)		87,886				1,643	01/01/2028	1	
31402RPF78	FNMA POOL #735846		09/15/2009	PRINCIPAL RECEIPT	X X X	12,903	12,902.86	12,911	12,911		(8)		(8)		12,903				415	09/01/2035	1	
31405SNQ3	FNMA POOL #797899		09/25/2009	PRINCIPAL RECEIPT	X X X	156,065	156,064.82	161,430	160,978		(4,913)		(4,913)		156,065				7,294	10/01/2023	1	
31410KDN1	FNMA POOL #889409		09/15/2009	PRINCIPAL RECEIPT	X X X	12,418	12,417.81	12,743	12,738		(320)		(320)		12,418				789	05/01/2038	1	
31414U2A5	FNMA POOL# 976969		09/30/2009	PRINCIPAL RECEIPT	X X X	153,578	153,578.13	153,962	153,954		(376)		(376)		153,578				6,099	02/01/2038	1	
31412TPH0	FNMA POOL#934324		09/30/2009	PRINCIPAL RECEIPT	X X X	160,400	160,399.68	160,075	160,076			323		323	160,400				5,696	06/01/2038	1	
31415RG65	FNMA POOL#986821		09/30/2009	PRINCIPAL RECEIPT	X X X	92,894	92,894.07	92,720	92,721			173		173	92,894				3,244	07/01/2038	1	
36202BT96	GNMA II POOL #1476		09/20/2009	PRINCIPAL RECEIPT	X X X	1,909	1,909.26	1,981	1,765			144		144	1,909				97	11/20/2023	1	
36202BWH4	GNMA II POOL #1548		09/20/2009	PRINCIPAL RECEIPT	X X X	183	182.56	187	184		(1)		(1)		183				9	01/20/2024	1	
36224JES7	GNMA II POOL #329645		09/20/2009	PRINCIPAL RECEIPT	X X X	1,100	1,100.46	1,128	1,118		(18)		(18)		1,100				51	12/20/2022	1	
36219QEB5	GNMA POOL #255830		09/15/2009	PRINCIPAL RECEIPT	X X X	1,501	1,500.95	1,590	1,544		(44)		(44)		1,501				82	10/15/2018	1	
362199VE8	GNMA POOL #271613		09/15/2009	PRINCIPAL RECEIPT	X X X	837	837.30	892	872		(34)		(34)		837				47	12/15/2018	1	
36220BPJ6	GNMA POOL #273225		09/15/2009	PRINCIPAL RECEIPT	X X X	839	838.86	898	862		(23)		(23)		839				47	05/15/2019	1	
36223FSE2	GNMA POOL #306617		09/15/2009	PRINCIPAL RECEIPT	X X X	23	22.81	23	23						23				1	05/15/2021	1	
36223UKX5	GNMA POOL #318110		09/15/2009	PRINCIPAL RECEIPT	X X X	14,191	14,190.94	14,847	14,632		(441)		(441)		14,191				725	07/15/2022	1	
36203EJR0	GNMA POOL #346872		09/15/2009	PRINCIPAL RECEIPT	X X X	177	176.54	183	181		(5)		(5)		177				9	11/15/2023	1	
36203UEB1	GNMA POOL #359359		09/15/2009	PRINCIPAL RECEIPT	X X X	770	770.10	750	755			15		15	770				36	06/15/2023	1	
36203UUJ7	GNMA POOL #359475		09/15/2009	PRINCIPAL RECEIPT	X X X	4,556	4,556.43	4,484	4,507			49		49	4,556				213	02/15/2024	1	
36203YUT9	GNMA POOL #363394		09/15/2009	PRINCIPAL RECEIPT	X X X	409	409.13	427	420		(11)		(11)		409				20	12/15/2023	1	
36204DLF4	GNMA POOL #366726		09/15/2009	PRINCIPAL RECEIPT	X X X	3,340	3,340.26	3,282	3,297			43		43	3,340				156	03/15/2024	1	
36204QBR0	GNMA POOL #376348		09/15/2009	PRINCIPAL RECEIPT	X X X	415	415.27	421	419		(3)		(3)		415				20	12/15/2023	1	
36204UJ69	GNMA POOL #380185		09/15/2009	PRINCIPAL RECEIPT	X X X	300	300.06	294	296			4		4	300				14	12/15/2023	1	
36294SD20	GNMA POOL #658121		09/15/2009	PRINCIPAL RECEIPT	X X X	126,097	126,097.42	128,344	128,279		(2,181)		(2,181)		126,097				5,174	10/15/2036	1	
36221P7D7	GNMA POOL #912592		09/15/2009	PRINCIPAL RECEIPT	X X X	699	699.36	692	696			4		4	699				34	04/01/2026	1	
36295QKUJ3	GNMA POOL#677207		09/30/2009	PRINCIPAL RECEIPT	X X X	198,286	198,286.46	204,421	204,378		(6,092)		(6,092)		198,286				8,986	08/15/2038	1	
912828KW9	U.S. TREASURY BOND		08/14/2009	CITIGROUP	X X X	379,102	375,000.00	375,527			(14)		(14)		375,514		3,588	3,588	2,597	05/31/2016	1	
0399999 Subtotal - Bonds - U.S. Governments					X X X	1,586,660	1,582,559.20	1,603,685	1,136,464		(19,346)		(19,346)		1,583,072		3,588	3,588	49,800	X X X	X X X	
Bonds - U.S. Special Revenue, Special Assessment																						
31393KK95	FHLMC CMO 2568-KA		09/15/2009	PRINCIPAL RECEIPT	X X X	51,489	51,489.10	51,376	51,379			110		110	51,489				1,439	12/15/2021	1	
31397R7F7	FHLMC CMO 3418		09/15/2009	PRINCIPAL RECEIPT	X X X	260,037	260,037.02	262,343	262,077		(2,040)		(2,040)		260,037				10,319	03/15/2032	1	
31396JSK2	FHLMC CMO R006-AF		09/30/2009	PRINCIPAL RECEIPT	X X X	78,728	78,727.81	79,392	79,373		(645)		(645)		78,728				2,771	12/15/2018	1	
31392MEN8	FHLMC CMO T-41-3A		09/25/2009	PRINCIPAL RECEIPT	X X X	12,258	12,257.68	13,024	12,978		(721)		(721)		12,258				623	07/25/2032	1	
31396V2P2	FNMA GTD REMIC PASS THRU		09/25/2009	PRINCIPAL RECEIPT	X X X	106,287	106,287.08	106,204	106,216			71		71	106,287				3,837	12/25/2020	1	
38374BYW7	GNMA CMO 03-67-SD ARM		09/20/2009	PRINCIPAL RECEIPT	X X X	10,632	10,632.41	10,686	10,732		(100)		(100)		10,632				1,133	08/20/2033	1	
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment					X X X	519,431	519,431.10	523,025	522,755		(3,325)		(3,325)		519,431				20,122	X X X	X X X	
Bonds - Industrial and Miscellaneous (Unaffiliated)																						
07820QAQ8	BELLA VISTA MORTGAGE TRUST		09/20/2009	PRINCIPAL RECEIPT	X X X	5,706	5,705.65	5,524	5,556			150		150	5,706				196	11/20/2034	2FE	
16132NA*7	CHARTER ONE BANK		09/30/2009	VARIOUS	X X X	10,000	10,000.00	10,000	10,000						10,000				160	05/12/2009	1FE	
17311LAW1	CITIGROUP MTG LN TR		09/25/2009	PRINCIPAL RECEIPT	X X X	428	428.23	96	337			80		(196)	142		287	287	19	04/25/2037	6FE	
172967ER8	CITIGROUP, INC.		07/30/2009	CANTOR CLEARING SERVICES	X X X	1,495,205	1,950,000.00	1,692,899	1,858,566			483		166,119	(165,636)				81,900	04/29/2049	6FE	
02147TAS5	COUNTRYWIDE ALTRNTV		09/30/2009	PRINCIPAL RECEIPT	X X X	109,213	109,212.50	110,061	110,128		(915)		(915)		109,213				4,386	10/25/2036	5FE	
369856AF6	GENERAL FOODS CORP		09/30/2009	CALLED @ 100.0000000	X X X	500,000	500,000.00	499,375	499,842			(90)		(90)	499,752		248	248	25,083	06/15/2011	2FE	
44615HAA9	HUNTINGTON NATIONAL BANK		07/13/2009	MATURITY	X X X	5,849	5,848.91	5,849							5,849				151	06/30/2009	1FE	
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X	2,126,401	2,581,195.29	2,323,804	2,490,278		(292)		166,395	(166,687)	2,323,593		(197,190)	(197,190)	111,895	X X X	X X X	
8399997 Subtotal - Bonds - Part 4					X X X	4,232,492	4,683,185.59	4,450,514	4,149,497		(22,963)		166,395	(189,358)	4,426,096		(193,602)	(193,602)	181,817	X X X	X X X	
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)																						
8399999 Subtotal - Bonds					X X X	4,232,492	4,683,185.59	4,450,514	4,149,497		(22,963)		166,395	(189,358)	4,426,096		(193,602)	(193,602)	181,817	X X X	X X X	
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)																						
Common Stock - Industrial and Miscellaneous (Unaffiliated)																						
172967101	CITIGROUP INC		07/31/2009	CITIGROUP		569,999.995	1,767,000	X X X	1,493,970						1,493,970			273,030	273,030		X X X	L

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of
by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
9099999 Subtotal - Common Stock - Industrial and Miscellaneous (Unaffiliated)					... X X X ...	... 1,767,000	... X X X ...	... 1,493,970	.....	.....	.....	.....	.....	.....	... 1,493,970	.....	... 273,030	... 273,030	.....	. X X X .	.. X X X .
9799997 Subtotal - Common Stocks - Part 4					... X X X ...	... 1,767,000	... X X X ...	... 1,493,970	.....	.....	.....	.....	.....	.....	... 1,493,970	.....	... 273,030	... 273,030	.....	. X X X .	.. X X X .
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	. X X X .	.. X X X .
9799999 Subtotal - Common Stocks					... X X X ...	... 1,767,000	... X X X ...	... 1,493,970	.....	.....	.....	.....	.....	.....	... 1,493,970	.....	... 273,030	... 273,030	.....	. X X X .	.. X X X .
9899999 Subtotal - Preferred and Common Stocks					... X X X ...	... 1,767,000	... X X X ...	... 1,493,970	.....	.....	.....	.....	.....	.....	... 1,493,970	.....	... 273,030	... 273,030	.....	. X X X .	.. X X X .
9999999 Total - Bonds, Preferred and Common Stocks					... X X X ...	... 5,999,492	... X X X ...	... 5,944,484	... 4,149,497	.....	... (22,963)	... 166,395	... (189,358)	.....	... 5,920,066	.....	... 79,428	... 79,428	... 181,817	. X X X .	.. X X X .

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors and Insurance Futures Options Owned at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price Rate or Index	Date of Acquisition	Exchange or Counterparty	Cost/ Option Premium	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income
N O N E													
9999999 Total X X X	.....	.....	.....	.....	.....

SCHEDULE DB - PART B - SECTION 1

Showing all Options, Caps, Floors and Insurance Futures Options Written and In-Force at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price Rate or Index	Date of Issuance/ Purchase	Exchange or Counterparty	Consideration Received	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis	Other Investment/ Miscellaneous Income
N O N E													
9999999 Total X X X	.....	.....	.....	.....	.....

SCHEDULE DB - PART C - SECTION 1

Showing all Collar, Swap and Forwards Open at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income	Potential Exposure
<div>NONE</div>														
								. X X X						
9999999 Total

SCHEDULE DB - PART D - SECTION 1

Showing all Futures Contracts and Insurance Futures Contracts at Current Statement Date

1	2	3	4	5	6	7	8	9	Variation Margin Information			13
Description	Number of Contracts	Maturity Date	Original Value	Current Value	Variation Margin	Date of Opening Position	Exchange or Counterparty	Cash Deposit	10	11	12	Potential Exposure
9999999 Total X X X ..	..... X X X .....	.....	.....	.....	.....	.....

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
							First Month	Second Month	Third Month	
open depositories										
Mechanic & Farmers Bank ...	Durham, NC						(28,258)	33,988	(415,931)	X X X
Wachovia Bank	Charlotte, NC						1,586,027	1,797,292	1,637,400	X X X
Ocean National Bank	Keene, NH						100,909	125,478	115,707	X X X
Bank of Oklahoma	Oklahoma City, OK									X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories			X X X	.. X X X ..			12,667	9,196	283	X X X
0199999 Totals - Open Depositories			X X X	.. X X X ..			1,671,344	1,965,954	1,337,459	X X X
suspended depositories										
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories			X X X	.. X X X ..						X X X
0299999 Totals - Suspended Depositories			X X X	.. X X X ..						X X X
0399999 Total Cash On Deposit			X X X	.. X X X ..			1,671,344	1,965,954	1,337,459	X X X
0499999 Cash in Company's Office			X X X	.. X X X ..	X X X	X X X	1,974			X X X
0599999 Total Cash			X X X	.. X X X ..			1,673,318	1,965,954	1,337,459	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<div>NONE</div>							
8699999 Total - Cash Equivalents

Supp5 Medicare Part D Coverage Supplement NONE

**INDEX TO LIFE AND ACCIDENT AND HEALTH
QUARTERLY STATEMENT**

Accident and Health; Q3; Q4; Q6; Q11; QSupp3
Accounting Changes and Corrections of Errors; Q4; Q7, Note 2
Accounting Practices and Policies; Q7, Note 1
Admitted Assets; Q2; Q8; QSI01; QSI03; QSI06; QSupp2
Affiliated Transactions; Q2; Q3; Q7, Note 10; Q8; Q8.1
Annuities; Q3; Q4; Q6; Q11; QSupp3
Annuity Actuarial Reserves; Q7, Note 31
Annuity Benefits; Q4
Asset Valuation Reserve; Q3; Q4
Bonds; Q2; Q5; Q8.1; Q8.2; QSI01; QSI02; QE04; QE05; QSupp2
Business Combinations and Goodwill; Q7, Note 3
Capital Gains (Losses); Q3; Q4; Q5
Capital Stock; Q3; Q4; Q7, Note 13
Capital Notes; Q3; Q5; Q7, Note 11
Caps; QE06
Cash; Q2; Q5; QSI04; QE07; QE08; QSupp2
Cash Equivalents; Q2; Q5; QSI06; QE09
Claim Adjustment Expenses; Q7, Note 34
Claims; Q3; QSupp1
Coinsurance; Q3
Collars; QE07
Commissions; Q3; Q4; Q5
Common Stock; Q2; Q3; Q5; Q7, Note 13; Q8.1; Q8.2; QSI01; QE04; QE05; QSupp2
Contract Loans; Q2; Q5
Contingencies; Q7, Note 14
Counterparty Exposure; Q7, Note 8; QE06; QE07
Coupons; Q3; Q4
Credit Life; Q6
Death Benefits; Q4
Debt; Q7, Note 11
Deferred Compensation; Q7, Note 12
Deposit Liabilities by Withdrawal Characteristics; Q7, Note 31
Derivative Instruments; Q7, Note 8; QSI04; QSI05; QE06; QE07
Deposit-Type Contracts; Q3; Q4; Q5; Q6; Q11
Disability Benefits; Q11
Discontinued Operations; Q7, Note 4
Dividends or Refunds; Q5; Q11
Electronic Data Processing Equipment; Q2
Exchange or Counterparty; QE06; QE07
Expenses; Q3; Q4; Q5; QE01
Experience Rating Refunds; Q3; Q4
Extinguishment of Liabilities; Q7, Note 17
Extraordinary Items; Q7, Note 20
Federal ID Number; Q10
Federal Reserve Board; Q8
Floors; QE06
Foreign Exchange; Q2; Q3; Q4; QSI01; QSI03; QSI06; QE01; QE02; QE03; QE05
Forwards; QE07
Furniture and Equipment; Q2
Futures Contracts; QE06; QE07
General Insurance Expenses; Q4
Group Life Insurance; Q6
Guaranty Fund; Q2
Health Care Receivables; Q2; Q7, Note 27
Holding Company; Q8; Q12
Income; Q2; Q3; Q4; Q5; QE01; QE03; QE06; QE07; QSupp2
Income Generation Transactions; QE06
Income Taxes; Q2; Q3; Q4; Q5; Q7, Note 9
Incurred Losses and Loss Adjustment Expenses; Q7, Note 24
Individual Annuities; Q6
Industrial Life; Q6
Insurance Futures Options; QE06; QE07
Intercompany Pooling; Q7, Note 25
Interest Maintenance Reserve; Q3; Q4
Investment Income; Q3; Q7, Note 7; QE09
Accrued; Q2; QSupp2
Earned; Q4
Received; Q5
Investments; Q2; Q3; Q4; Q5; Q7, Note 5; Q8.1; Q8.2; QSI01; QSI03; QSI06; QE01; QE02; QE03; QE04; QE05; QE06; QE07; QE08; QE09; QSupp2
Joint Venture; Q7, Note 6; QE03

**INDEX TO LIFE AND ACCIDENT AND HEALTH
QUARTERLY STATEMENT**

Leases; Q7, Note 15

Licensing; Q3; Q4; Q8

Limited Liability Comapny (LLC); Q7, Note 6; QE03

Limited Partnership; Q7, Note 6; QE03

Long-Term Invested Assets; Q5; Q9; QSI01; QE03; QE04; QE05

Managing General Agents; Q7, Note 19; Q8

Matured Endowments; Q4

Medicare Part D Coverage; QSupp5

Mergers; Q7, Note 3; Q8

Modco Reserve; Q3

Mortgage Loans; Q2; Q5; Q8.1; Q9; QSI01; QE02; QSupp2

Nonadmitted Assets; Q2; Q4; QSI01; QSI03; QSI06

Non-Cash Transactions; Q5

Off-Balance Sheet Risk; Q7, Note 16

Options; Q8.1; QE06

Ordinary Life Insurance; Q6

Organizational Chart; Q8; Q12

Other Derivative Transactions; QE06; QE07

Parent, Subsidiaries and Affiliates; Q2; Q3; Q7, Note 10; Q8.1; Q12

Participating Policies; Q7, Note 28

Pharmaceutical Rebates; Q2; Q7, Note 27

Policies; Q3; QSupp3

Policyholder Dividends; Q3; Q4; Q5

Postemployment Benefits; Q7, Note 12

Postretirement Benefits; Q7, Note 12

Preferred Stock; Q2; Q3; Q5; Q8.1; Q8.2; QSI01; QSI02; QE04; QE05; QSupp2

Premium Deficiency Reserves; Q3; Q7, Note 29

Premiums and Annuity Considerations; Q7, Note 32

 Advance; Q3

 Collected; Q4; Q5

 Deferred; Q2; QSupp3

 Direct; Q2; Q4; Q6; Q11

 Uncollected; Q2; QSupp3

Quasi Reorganizations; Q7, Note 13

Real Estate; Q2; Q5; Q8.1; Q9; QSI01; QE01; QSupp2

Redetermination, Contracts Subject to; Q7, Note 23

Reinsurance; Q7, Note 22

 Assumed; Q3; Q4; Q10

 Ceded; Q3; Q4; Q11

 Funds Held; Q2; Q3

 Payable; Q3; Q4

 Receivable; Q2; QSupp3

 Unauthorized; Q3; Q4; QSupp3

Replicated (Synthetic) Assets; QSI04; QSI05

Reserves; Q7, Note 30

 Accident and Health; Q3; Q4

 Annuity; Q3

 Claim; Q3

 Life; Q3; Q4

Retirement Plans; Q7, Note 12

Retrospectively Rated Policies; Q7, Note 23

Separate Accounts; Q2; Q3; Q4; Q5; Q7, Note 33

Servicing of Financial Assets; Q7, Note 17

Short-Term Investments; Q2; Q5; Q8.1; QSI03; QSupp2

Special Deposits; QSupp2

Stockholder Dividends; Q3; Q4; Q5

Structured Settlements; Q7, Note 26

Subsequent Events; Q7, Note 21

Supplementary Contracts; Q4

Surplus; Q3; Q4; Q5; Q7, Note 13; QSupp1; QSupp2; QSupp3

Surplus Notes; Q3; Q4; Q5; QE03; Q7, Note 13

Surrender Values; Q3; Q4

Swaps; QE07

Taxes; Q2; Q3; Q4; Q5; QE01

Third Party Administrator; Q7, Note 19; Q8

Treasury Stock; Q3; Q4; Q5

Uninsured Accident and Health; Q2; Q3; Q7, Note 18

Valuation Allowance; QSI01

Wash Sales; Q7, Note 17